

Sugar & Gur Domestic & International Fundamentals:

- Mixed sentiments prevailed in various sugar spot markets on Friday as markets could not find adequate cues to decide the prices either side. Market is waiting for the meeting of EGOM in which panel of ministers will be going to decide on additional sugar exports and removal of existing export quota mechanism.
- Mills are facing difficulties for the payment of sugarcane to farmers for this season in UP as millers have to made the payment on the basis of increasing SAP for 2011-12 which left the millers in big difficulty. It is noticeable that prices of sugar are hovering below cost of production. In addition to it, millers cannot take much benefit from recent exports allowance by government due to great distance from ports and very lesser export quota allotment. Government need to make some quick decisions to save the sugar industry and farmers.
- Indian FOB price quoting at \$570 which is quite competent compared to Brazil and Thailand as depreciating rupee value and increase in Thai white sugar premium increase the sugar export parity for Indian exporters.
- Attache projected Brazilian sugar export to 25.25 million tons, raw value, which is approx. 2% up compared to last year sugar shipment from Brazil. Attache also predicts that around 48.63 percent of the crop should diverted to sugar which is also 0.56 points up compared to last year. It is noticeable that Brazilian sugar producers can decide the ratio of making sugar and ethanol from cane by diverting it based on the price and demand of that particular product.
- Kingsman cuts Brazil cane production estimate to 510 million tons from earlier estimate i.e. 520 million tons for 2012-13 as reported.
- Gur prices are steady today owing to dull demand and lackluster trade. Meanwhile, considering weak demand and increasing stock position of gur in cold storages, prices should fall in the coming days.
- Around 1396000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 16th April 2012 which are 50000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 931,000 of Chaku variety gur stored in Cold storage which are 25000 bags higher compared to previous same period
- Kolhus are still crushing cane and making gur as they still find parity in making gur from cane. It is noticeable that gur prices came down sharply from 2600 to 2400 per quintal for Chaku variety in Muzaffar nagar market.

Outlook:

Sugar prices are moving up owing to good summer demand throughout the country. However, prices of gur should crash in the coming days owing to lesser demand and moderate arrivals.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
May-12	-3.00	2865.00	2878.00	2844.00	2855.00
June-12	-4.00	2932.00	2937.00	2918.00	2926.00
July-12	-1.00	2969.00	2974.00	2960.00	2966.00

Contract	Volume	Change	OI	Change
May-12	15580	-6590	44730	3810
June-12	2790	-510	19690	340
July-12	400	140	4580	60

Spread	May-12	June-12	July-12
Basis	70		
May-12		71	111
June-12			40

Stocks	Demat	In-Process	Total	FED
	19-04-12	19-04-12	19-04-12	16-04-12
Kolhapur M	2392	0	2392	2392
Kolhapur S	23531	648	24179	20591
Sangli S	160	0	160	160

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-12	588.6	592.2	581	582.6	-4.3
Oct -12	586.5	591.6	581.8	583.4	-2.9
Dec -12	592.7	597.4	588.8	589.7	-2.4

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-12	4.00	1189.00	1196.00	1184.00	1191.50
Sept-12	8.50	1216.00	1225.00	1210.50	1218.00
Nov-12	-7.50	1051.50	1051.50	1051.50	1051.50

Contract	Volume	Change	OI	Change
July-12	5860	-3110	13630	590
Sept-12	980	-280	4360	220
Nov-12	10	-50	160	0

Spread	July-12	Sept-12	Nov-12
Basis	-181.5		
July-12		26.5	-140
Sept-12			-166.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
May-12	22.55	22.71	21.96	22.05	-0.29
July -12	22.05	22.4	21.67	21.77	-0.24
Oct-12	22.42	22.7	22.08	22.19	-0.14

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	495.50	-10.00
Raw Sugar C&F (\$/MT)	Black Sea	537.50	-10.00
Sugar White FOB (\$/MT)	Santos Port	590.00	-12.00

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'12/Jul'12	102.25	3.75
Oct'12/Oct'12	94	3
Dec'12/Oct'12	100.5	3.5

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	23.12	-0.6
Brazil Anhydrous	20.69	-0.36
Brazil Hydrous	20.7	-0.36

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		20-4-2012	19-4-2012	
Sugar	Delhi - Grade M	3070	3065	+5
	Delhi - Grade S	3025	3040	-15
	Delhi - Grade L	3090	3085	+5
	UP- Khatuali Grade M	3100	-	-
	UP- Ramala Grade M	3000	-	-
	Mumbai –Grade M	3086	3091	-5
	Mumbai –Grade S	2931	2931	Unch
	Kolhapur – Grade M	2925	2925	Unch
	Kolhapur – Grade S	2825	2825	Unch
	Vijayawada – Grade M	3220	3220	Unch
	Vijayawada- Grade S	3120	3120	Unch
	Nagpur – Grade S	3030	3030	Unch
	Kolkata – Grade M	3125	3080	+45
	Chennai - Grade S	2900	-	-

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg).

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	20-4-2012	19-4-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2525	2525	Unch
	Khurpa	2500	2500	Unch
	Laddu	2700	2675	+25
	Rascut	2325	2325	Unch
Maharashtra	Lal Variety	2650	2650	Unch
Bangalore	Achhu	2700	2700	Unch
	Mudde	3000	3000	Unch
Belgaum	Mudde	2500	2500	Unch
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2450	2540	-90
Gulbarga	Other (Average)	-	2350	-
Mahalingapura	Penti (Average)	2810	2830	-20
Mandya	Achhu (Medium)	2450	2400	+50
	Kurikatu (Medium)	2300	2200	+100
	Other (Medium)	2300	2250	+50
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	2400	2425	-25

UP Private Mills Tender Rates				
Centre	Origin/Grade	20-4-2012	19-4-2012	Change
Dorala	M-30	2990	3010	-20
Mawana	M-30	2995	3015	-20
Modinagar	M-30	2970	2990	-20
Malakpur	M-30	2950	2970	-20
Simbholi	M-30	3060	3080	-20
Asamoli	M-30	3050	3060	-10
Dhanora	M-30	3000	3030	-30
Dhampur	M-30	2975	2980	-5
Kinnoni	M-31	3140	3130	+10
Budhana	M-31	3020	3050	-30
Thanabhavan	M-31	3010	3030	-20
UP Government Mills Tender Rates				
Centre	Origin/Grade	20-4-2012	19-4-2012	Change
Morna	M-30	2940	2940	Unch
Nanotha	M-30	2915	2910	+5
Nazibabad	M-30	2910	2910	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2930	2940	-10
Amroha	M-30	-	2960	-
Chandpur	M-30	-	2940	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	20-4-2012	19-4-2012	Change
Baghpat	M-30	2940	2940	Unch
Gajraula	M-30	2910	2920	-10
BulandShahar	M-30	-	2960	-
Anupshahar	M-30	2910	2920	-10

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	19-04-2012
DATT SHIROL	S1.PP	2806.00 OPEN
HUTATMA	S1.PP	2818.00 OPEN
BIDRI	S1.PP	2793.00 OPEN
JAWAHAR	S2.PP	2803.00 OPEN
	M2.PP-M1.PP	2821.00-2901.00 OPEN
BHAIRAVANATH SONERI1919	S.JB	2800.00-2815.00
MAKAI	M.PP	2865
MALINAGAR	S.JK	2798
	M.JK	2813
AKLUJ	S.JK-S1.JK	2773.00-2812.00
	M.JK	2886
KRISHNA ATHNI	S.JK	2785
	S.JB	2800
AADINATH	S.PP	2788
LOKNETE	S.PP	2776.00-2778.00
	M.PP	2813
KUKDI	S.PP	2812
VENKATESH	S.PP	2820

GHODGANGA	S.PP	2813
ASHOKNAGAR	S.JK-JB	2840.00-2891.00
	M.JB	2967

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